

Fiscal Estimate Narratives

DOR 12/12/2011

LRB Number	11-0410/1	Introduction Number	SB-302	Estimate Type	Original
Description Increasing the amount of the individual income tax personal exemption for certain older taxpayers					

Assumptions Used in Arriving at Fiscal Estimate

Under current Wisconsin law, a personal exemption of \$700 may be claimed for each taxpayer, spouse, and dependent. An additional exemption of \$250 may be claimed by a taxpayer or spouse who has reached the age of 65 by the close of the tax year.

This bill would increase the \$250 exemption for certain elderly taxpayers. For those taxpayers and spouses who have reached the age of 70, the exemption amount would be increased to \$300, and taxpayers and spouses who have reached the age of 75 could claim a \$350 exemption.

Based on a simulation using 2010 individual income tax returns, inflated for 2012 income levels and law, the increased additional personal exemption for elderly filers would decrease state income tax revenues by an estimated \$920,000 in tax year 2012.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2011 Session

Detailed Estimate of Annual Fiscal Effect

Original
 Updated
 Corrected
 Supplemental

LRB Number 11-0410/1		Introduction Number SB-302	
Description Increasing the amount of the individual income tax personal exemption for certain older taxpayers			
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):			
II. Annualized Costs:		Annualized Fiscal Impact on funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
State Operations - Salaries and Fringes		\$	\$
(FTE Position Changes)			
State Operations - Other Costs			
Local Assistance			
Aids to Individuals or Organizations			
TOTAL State Costs by Category		\$	\$
B. State Costs by Source of Funds			
GPR			
FED			
PRO/PRS			
SEG/SEG-S			
III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)			
		Increased Rev	Decreased Rev
GPR Taxes		\$	\$-920,000
GPR Earned			
FED			
PRO/PRS			
SEG/SEG-S			
TOTAL State Revenues		\$	\$-920,000
NET ANNUALIZED FISCAL IMPACT			
		<u>State</u>	<u>Local</u>
NET CHANGE IN COSTS		\$	\$
NET CHANGE IN REVENUE		\$-920,000	\$
Agency/Prepared By		Authorized Signature	Date
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